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APPLICATION NO. 09/088,200	FILING DATE 05/13/97	FIRST NAMED INVENTOR GARBER	ATTORNEY DOCKET NO. H 8406/4
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LALITA P WILLIAM  
BRINKS HOFER GILSON AND LIONE  
NBC TOWER SUITE 3600  
P O BOX 10395  
CHICAGO IL 10395

LM01/1223

EXAMINER

PATEL, J

ART UNIT

PAPER NUMBER

2765

DATE MAILED: 12/23/98

Please find below and/or attached an Office communication concerning this application or proceeding.

Commissioner of Patents and Trademarks

# Office Action Summary

Application No.  
**08/868,200**

Applicant(s)  
**Howard B. Garber**

Examiner  
**Jagdish Patel**

Group Art Unit  
**2765**



☒ Responsive to communication(s) filed on Nov 20, 1998

☐ This action is **FINAL**.

☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

A shortened statutory period for response to this action is set to expire three month(s), or thirty days, whichever is longer, from the mailing date of this communication. Failure to respond within the period for response will cause the application to become abandoned. (35 U.S.C. § 133). Extensions of time may be obtained under the provisions of 37 CFR 1.136(a).

## Disposition of Claims

☒ Claim(s) 1-21 and 23-55 is/are pending in the application.

Of the above, claim(s) \_\_\_\_\_ is/are withdrawn from consideration.

☒ Claim(s) 14-21, 23, and 37-48 is/are allowed.

☒ Claim(s) 1-13, 24, 25, 33-36, and 49-55 is/are rejected.

☒ Claim(s) 26-32 is/are objected to.

☐ Claims \_\_\_\_\_ are subject to restriction or election requirement.

## Application Papers

☐ See the attached Notice of Draftsperson's Patent Drawing Review, PTO-948.

☐ The drawing(s) filed on \_\_\_\_\_ is/are objected to by the Examiner.

☐ The proposed drawing correction, filed on \_\_\_\_\_ is ☐ approved ☐ disapproved.

☐ The specification is objected to by the Examiner.

☐ The oath or declaration is objected to by the Examiner.

## Priority under 35 U.S.C. § 119

☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).

☐ All ☐ Some\* ☐ None of the CERTIFIED copies of the priority documents have been  
☐ received.

☐ received in Application No. (Series Code/Serial Number) \_\_\_\_\_.

☐ received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

\*Certified copies not received: \_\_\_\_\_

☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

## Attachment(s)

☒ Notice of References Cited, PTO-892

☐ Information Disclosure Statement(s), PTO-1449, Paper No(s). \_\_\_\_\_

☐ Interview Summary, PTO-413

☐ Notice of Draftsperson's Patent Drawing Review, PTO-948

☐ Notice of Informal Patent Application, PTO-152

--- SEE OFFICE ACTION ON THE FOLLOWING PAGES ---

Art Unit: 2765

## **DETAILED ACTION**

### ***Response to Amendment***

1. This communications is in response to applicant's amendment filed on 11-27-98.
2. In response to the changes made to the informal drawings, the objections to drawings cited in the previous office action have been withdrawn.
3. In response to the amendment, all requested changes to specification have been entered.
4. Amendments to claims 1, 13, 24, 26-34, 37, 41, 45,49 and 51 have been entered.
5. In response to the applicant's amendments to claims 34,37,41,45,49 and 51, the 35 USC §101 rejection of claims 34-51 has been withdrawn.
6. As a result of amendment to claim 13 the claim objection cited in prior office action has been withdrawn.
7. In response to the applicant's amendments to claims 26-32, the 35 USC §112 rejection of these claims has been withdrawn.

### ***Claim Rejections - 35 USC § 112***

8. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Art Unit: 2765

Claim 27 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly claim the subject matter which the applicant regards as the invention.

Claim 27 recites the limitation "the options computer" in first line of the claim. There is insufficient antecedent basis for this limitation in the claim.

The examiner has interpreted claim 27 to read " The electronic market defined in claim 26 [24]....." and claim 26 to read "...The electronic market defined in claim 24 [27]..."

***Claim Rejections - 35 USC § 103***

9. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

10. Claims 1-13,24,25,33,34-36 and 49-55 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hakansson and in further view of Wagner '201.

Claim 1: Wagner discloses a system for trading commodities futures comprising:

an electronic brokerage and trading network having at least one computer, display terminal and input, the electronic brokerage and trading network operative to receive and transmit bids and offers for trading commodities (fig. 1 remote terminal 18 including modem 32 communicating to/from the central trade exchange trading system trading network connects at

Art Unit: 2765

least one computer terminal 18 to a trading network, receives and transmits bids/offers for trading commodities futures, see listed functions of trading system 12 in fig.1, also see col. 1 lines 15-37).

The central trade exchange computer of Wagner fails to teach futures trading system having a central trade exchange computer which *automatically* maintains a constant bid and offer market for a commodity future and to receive and transmit unmatched bids and offers and supply and execute a matching trade for such commodity future. coupled to the electronic brokerage and trading network automatically and continuously operative to receive and transmit bids and offers automatically execute commodity trades to maintain bid and offer market for such commodity.

Hakansson et al. teach a principal market maker computer coupled to the electronic brokerage and trading network (refer to p.2 L 4-11, L 19-23) which automatically maintains a constant bid and offers market for a commodity future and to receive and transmit unmatched bids and offers and supply and execute a matching trade for such commodity future (p. 2 L 37- p.3 L 1-7 refer to function called *demand smoothing* performed by a market maker computer and examples cited on p.3, also refer to p. 6 B. *The Trade Execution Mechanism*).

Therefore, it would have been obvious to one of ordinary skill in the art of automated futures trading at the time the invention was made to combine the electronic brokerage and trading network of Wagner with the market maker computer as recited above and taught by Hakansson et al reference to develop a system for trading commodities futures as claimed

Art Unit: 2765

because as demonstrated by Hakansson et al the specialist's function as a market maker can be automated providing benefits of silent, efficient and cost effective futures trading.

Claim 2: the system further comprising a clearing facility for processing trades executed by the principal market maker computer (fig. 1, item 38 clearing system, col. 4 lines 54-59, col. 7 lines 40- col. 8 line 16).

Claim 3-7: Hakansson et al do not show various commodities trading methods involving forward spread trades (claim 3), forward outright trades (claim 4), trade swaps (claim 5), odd value and odd date trades (claim 6) and covered interest rate arbitrage (claim 6).

Official Notice is taken that the aforementioned trading methods are old and well known in the commodities trading.

It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to include these trading methods because the automated futures trading system would provide broader range of services like its conventional counterpart.

11. Claim 8-12: Wagner does not clearly teach connecting the trading system to various networks recited in these claims.

Official Notice is taken that the trading networks recited in the subject claims are old and well known in art of commodity (including currency) trading as is also recited in the disclosure of the instant application (p. 8) .

Art Unit: 2765

It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to link the trading system of Wagner to one or more trading networks in order that the trading time period and coverage is expanded.

All other limitations of claims 8-12 are analyzed in claim 1.

Claim 13: see claim 1. This claim does not limit the claim with a means language.

All limitations of claim 24 and 25 are analyzed in claim 1 and 2 respectively.

Claims 24,33,34,49 are analyzed as in claim 1 above.

Claim 25 is analyzed as in claim 1 and 2 above.

Claim 50: confirming and settling said matched bids (Wagner col. 8 lines 38-53).

Claim 51: all limitations of claim 51 are analyzed in claim 1 above.

Claim 35-36, 52-55: The steps of identifying confirming and executing the matching bids and offers are inherent in the combined system of Hakansson and Wagner because the system performs the system performs functions of a market making.

Art Unit: 2765

***Allowable Subject Matter***

12. Claims 14-21,23 and 37-48 are allowed because prior art of record fails to teach or anticipate limitations recited in the claims.

13. Claims 26-32 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

***Prior Art Cited***

5. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.



Art Unit: 2765


*Contact Information*

14. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jagdish Patel whose telephone number is (703) 308-7837. The examiner can normally be reached on Monday-Friday from 7.30 a.m. to 5:00 p.m. EST.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Allen MacDonald, can be reached on (703) 305-9708. The fax phone number for this Group is (703) 305-3988.

J Patel

08/13/98



ALLEN R. MACDONALD  
SUPERVISORY PATENT EXAMINER